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TAGS: [PGOV](#) [PTER](#) [PREL](#) [IN](#) [NP](#)
SUBJECT: NEPAL GOVERNMENT'S TEMERITY PUTS INDIAN CONSULATE
SECURITY AT RISK

Classified By: Ambassador James F. Moriarty. Reasons 1.4 (b/d).

SUMMARY

11. (C) Indian Ambassador Mukherjee told the Ambassador August 14 that government forces had done little earlier that day to protect the Indian Consulate in Birgunj against a group of hostile demonstrators. Not until Mukherjee threatened to cancel India's assistance program did the police attempt to remove the demonstrators away from the Consulate. The mob, enraged over the death of a Nepali bus driver on August 13 at the hands of Indian rioters, succeeded in planting a Maoist flag on the Consulate gate. The Indian Ambassador had previously authorized Indian security forces attached to the Consulate to take "whatever steps are necessary," in the face of weak and contradictory actions on the part of the Home Minister. The incident did little to reassure Mukherjee, already concerned about the GON's passivity in the face of Maoist abuses against Indian business people in Nepal. End Summary.

TROUBLE ERUPTS IN BIRGUNJ; INDIAN CONSULATE THREATENED

12. (C) On August 14, Indian Ambassador Shiv Shankar Mukherjee told the Ambassador about the GON's mishandling of a serious threat earlier that day to the Indian consulate in the Nepali border city of Birgunj. The trouble began on August 13 after a Nepali bus driver carrying pilgrims across the border ran into a bike or motorcycle and injured the Indian cyclist. A mob of angry Indians pulled the bus driver from the bus and beat him up. Indian police intervened, and the driver and the bus made it back across the border to Nepal, where the bus driver had dinner and promptly died. On the morning of the 14th, after a post-mortem, a large group of people believed to be Maoists, took the body to the Indian consulate in Birgunj and began to chant anti-Indian slogans and hurl rocks. Nepal police pushed them back for a time, but the mob returned and planted a Maoist flag on the gate of the Consulate. Mukherjee told the Ambassador that at that point he instructed the Consulate's Indian security personnel to take "whatever steps are necessary" to protect the Consulate staff.

GOVERNMENT OF NEPAL DITHERS

13. (C) Mukherjee was particularly troubled by Home Minister

Krishna Prasad Sitaula's failure, despite repeated entreaties, to provide clear instructions to the Nepali police to secure the Consulate. The Indian Ambassador said it was not until he called Nepali Finance Minister Ram Sharan Mahat and threatened to cancel the signing by Mukherjee and Mahat of nearly USD 22 million in direct Indian budgetary assistance to Nepal that he got action. Only then did local law enforcement remove the body and disperse the protesters. According to press reports, the GON has announced that it will pay compensation to the bus driver's family and "will punish the (Indian) culprits."

MAOISTS THREATEN INDIAN BUSINESSES

¶4. (C) The Indian Ambassador also voiced his anxiety regarding continued Maoist extortion and coercion of Indian businesses in Nepal. Mukherjee stressed that the Nepal Police should be acting firmly to ensure law and order, including preventing Maoist abuses. His complaints, even at the highest levels, however, seemed to go unheard. The Ambassador suggested that Mukherjee should inform the Maoist leadership that the Government of India would hold them accountable for their cadres' actions.

COMMENT

¶5. (C) The trouble in Birgunj appears now to be over, but the poor showing by the GON in protecting a foreign diplomatic mission underscored the lack of direction on the part of Nepal's police. Sitaula's failure to take a hard line with the Maoists in his dual capacity as Home Minister and the Government's peace negotiator is undermining confidence in the GON by India, an indispensable ally for Prime Minister Koirala. We will remind the GON that its temerity in addressing Maoist threats could end up putting foreign

missions at some risk.

MORIARTY